

Introduces Legislation to Provide New Tax Relief for Hudson Valley Seniors

Ellenville, NY - Congressman Maurice Hinchey (D-NY) today joined with seniors in Ellenville to commemorate Social Social Security's 75th anniversary and pledge to protect and strengthen the bedrock program on which more than 50 million Americans rely. Hinchey also outlined how provisions of the health care reform law are benefiting seniors and detailed new legislation he has introduced to provide tax relief for Hudson Valley seniors.

"On August 14, 1935, President Franklin Delano Roosevelt signed the Social Security Act into law," said Hinchey. "Today, 75 years later, over 3 million New Yorkers count on the program for their retirement security and to make ends meet. While some have proposed privatizing the program and gambling with seniors' benefits on Wall Street, I have been steadfast in my commitment to protecting Social Security. We need to ensure that this vital program remains strong and effective for this generation and the next. I am adamantly opposed to any efforts to cut benefits or privatize the system."

The congressman also detailed new legislation he introduced last month to provide tax relief to seniors who are having trouble making ends meet. Hinchey's bill would raise the standard deduction for seniors by roughly \$1,000 per year. For the typical senior who pays 15 percent in income tax, the bill would amount to \$150 per year in relief. A household with two seniors in the 15 percent bracket would be eligible for \$300 per year in relief. Seniors who fall into a higher tax bracket could see relief as high as \$300 per individual senior and \$600 per couple.

Hinchey also expressed his displeasure over the fact that this year, for the first time, seniors went without a cost of living adjustment (COLA). While he was supportive of a federal Recovery Act provision, which provided a onetime payment of \$250 to every adult Social Security recipient, he said more needs to be done.

"I am working to pass two pieces of legislation to assist seniors who went without a cost of living adjustment this year, and may not receive an adjustment next year," said Hinchey. "The Seniors Protection Act would provide an additional onetime payment of \$250 in 2011, and the Elderly Consumers Act would change the way cost of living adjustments are calculated to ensure a more fair benefit adjustment."

Instead of linking COLAs to the Consumer Price Index, a general measure of inflation based on the price of consumer goods, the Elderly Consumers Act would link COLAs to the price of

goods that seniors most commonly purchase. Rather than base future adjustments on products like video games and iPods, the calculation Hinchey endorses would more accurately reflect seniors purchasing habits.

Hinchey also outlined provisions within the new health care reform law, which are already starting to improve Medicare benefit for Hudson Valley Seniors. Those who fall into the Medicare part D "donut hole," a gap in prescription drug coverage, have already started receiving \$250 rebate checks and starting next year Medicare beneficiaries who fall into the "donut hole" will receive a 50 percent discount on brand-name drugs. Additional drug discounts will be phased in over time, saving a typical senior in the donut hole \$700 in 2011 and over \$3,000 by 2020.

Hinchey also explained that under the new health law, many preventive health care services, including screenings for diabetes, high blood pressure, depression, cholesterol, mammograms and osteoporosis will be free, starting as early as this fall.

The non-partisan Congressional Budget Office estimates that health care law will extend the solvency of Medicare until at least 2027 and reduce the deficit by \$143 billion over the next 10 years.